

EXHIBIT A

1 Robert R. Kinas (Nevada Bar No. 6019)
 2 Jennifer L. McBee (Nevada Bar No. 9110)
 3 SNELL & WILMER L.L.P.
 4 3800 Howard Hughes Parkway
 5 Suite 1000
 6 Las Vegas, NV 89109
 7 Telephone: (702) 784-5200
 Facsimile: (702) 784-5252
 E-mail: rkinas@swlaw.com
 jmcbee@swlaw.com

Electronically Filed:
May 17, 2006

8 *Attorneys for Jayem Family Limited
 9 Partnership*

10
 11 **UNITED STATES BANKRUPTCY COURT**
 12
 13 **DISTRICT OF NEVADA**

14 In re:

15 USA COMMERCIAL MORTGAGE
 16 COMPANY,

17 Debtor.

18 In re:

19 USA CAPITAL REALTY ADVISORS,
 20 LLC,

21 Debtor

22 In re:

23 USA CAPITAL DIVERSIFIED TRUST
 24 DEED FUND, LLC,

25 Debtor.

26 In re:

27 USA CAPITAL FIRST TRUST DEED
 28 FUND, LLC,

All Debtors

In re:

USA SECURITIES, LLC

Debtor.

Affects:

- All Debtors
- USA Commercial Mortgage Co.
- USA Securities, LLC
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed Fund, LLC
- USA First Trust Deed Fund, LLC

Case No. BK-S-06-10725-LBR
 Chapter 11

Case No. BK-S-06-10726-LBR
 Chapter 11

Case No. BK-S-06-10727-LBR
 Chapter 11

Case No. BK-S-06-10728-LBR
 Chapter 11

Case No. BK-S-06-10729-LBR
 Chapter 11

**DECLARATION OF JACQUES M.
 MASSA IN SUPPORT OF
 OPPOSITION TO MOTION FOR
 ORDER AUTHORIZING THE
 RETURN TO INVESTORS OF
 CERTAIN ESCROWED FUNDS
 INTENDED FOR THE BUNDY
 CANYON PROJECT**

Hearing Date: May 18, 2006
 Hearing Time: 9:30 a.m.

1 1. I am the General Partner of Jayem Family Limited Partnership (“Jayem”). I make
 2 this declaration in support of Jayem’s Opposition to the Debtor’s Motion for Order Authorizing
 3 the Return to Investors of Certain Escrowed Funds Intended for the Bundy Canyon Project.
 4

5 2. I have personal knowledge of all matters stated herein, except for those matters
 6 stated upon information and belief, and as to those, I believe them to be true.
 7

8 3. In or about March 2006, USA Capital (the “Debtor”) solicited Jayem as a potential
 9 investor in a Bundy Canyon real estate project. The Debtor represented to me that Bundy Canyon
 10 Land Development LLC (the “Borrower”) was seeking investors for a new loan to fund the
 11 acquisition of land on Bundy Canyon Road in Riverside, California.
 12

13 4. Based on representations made by the Debtor regarding the nature of the
 14 investment, Jayem invested \$240,000 in a Bundy Canyon loan on March 15, 2006.
 15

16 5. On or about April 10, 2006 – after Jayem tendered the \$240,000 check – I received
 17 a letter from the Debtor confirming receipt of Jayem’s \$240,000 investment.
 18

19 6. In the April 10, 2006 letter, the Debtor represented that Jayem’s investment in a
 20 \$5,725,000 Bundy Canyon loan was funded on March 24, 2006. The Debtor did not include with
 21 the letter any supporting documentation regarding the specific Bundy Canyon loan in which
 22 Jayem invested.
 23

24 7. In fact, the Debtor has failed to provide any such documentation to date.
 25

26 8. It was not until May 14, 2006 that I learned the status of the \$5,725,000 loan in
 27 which Jayem’s money was purportedly invested. The \$5,725,000 Bundy Canyon loan was not a
 28 new construction loan, as represented to me when soliciting investment money. Instead, the
 \$5,725,000 Bundy Canyon loan was already in existence at the time of the solicitation, and had
 been in existence since January 14, 2005. Moreover, the \$5,725,000 Bundy Canyon loan was
 non-performing, and wholly in default, at the time the Debtor solicited Jayem’s investment.
 111559

1 9. The \$8.9 million Bundy Canyon loan, which is the subject of the Debtor's Motion,
2 is the loan in which Jayem intended to invest its \$240,000. The \$8.9 million Bundy Canyon loan
3 was a new construction loan – not a pre-existing, defaulted loan – that was set to close in April
4 2006, which is precisely what Jayem intended to invest in.

6 10. Until the Debtor provides documentation to Jayem proving the specific loan in
7 which Jayem's money is invested, as well as a complete set of documentation regarding each
8 Bundy Canyon loan, Jayem objects to the distribution of funds to any Bundy Canyon investor.

Jacques M. Massa

Snell & Wilmer
L.L.P. —
LAW OFFICES
3800 HOWARD HUGHES PARKWAY SUITE
LAS VEGAS, NEVADA 89109
(702) 784-5200

111559

EXHIBIT B

Wells Fargo View Check Copy

WELLS
FARGO

View Check Copy

Check Number	Date Posted	Check Amount	Account Number
789	03/20/06	\$240,000.00	Jayem 073-4672xxx

<p><i>JACQUES M. MASSA</i></p> <p>JAYEM FAMILY LIMITED PARTNERSHIP</p> <p>94-70743212</p> <p>DATE <i>3-15-06</i></p> <p>PAY TO THE ORDER OF USA COMMERCIAL MORTGAGE INVESTORS TRUST \$ 240,100 DOLLARS <i>A</i></p> <p><i>for my funds for the amount of \$240,100</i></p> <p>WELLS FARGO BANK NEVADA, N.A. P.O. BOX 91240 HENDERSON, NV 89009</p> <p>FOR <i>Brent Canyon</i> <i>Jacques Massa</i></p> <p>132127074210734672371#0789</p>		<p>④</p> <p>0789</p> <p>ENDORSE Wells Fargo Bank Las Vegas, NV 89193 ▼ 122402049 ▲</p> <p>For Deposit Only</p> <p>USA Commercial Mortgage Company</p> <p>Investors Trust Account</p> <p>INVESTMENT COMPANY</p> <p>INVESTMENT COMPANY</p>
<p>TRUST 20020701 EQUITYMKT INVESTMENT</p>		

© 1995 - 2005 Wells Fargo. All rights reserved.

EXHIBIT C



April 10, 2006

Jacques M. Massa
Jayem Family LP
7 Paradise Valley Court
Henderson, NV 89052

Dear Jacques,

USA Capital would like to take this opportunity to thank you for investing in our First Trust Deed program. Your investment of \$240000 in the **Bundy Canyon \$5,725,000** loan was funded on 03-24-06. You will start earning interest from 03-24-06.

USA Capital continues to underwrite all loans with the same care and diligence we have used since 1989. The interest for this first trust deed investment will be paid on or before the 10th of each month. USA Capital will fully service your investment, including monthly interest, statements, and tax reporting. If you have any questions or comments, please feel free to call (702) 734-2400. Thank you again.

Sincerely,

USA Capital